

10 million special teaching brochures are being distributed this year. This includes the manufacturers inserting one in every new range as well as several million being distributed by school teachers, fire educators, and public service groups. In addition, a teaching video is being developed for fire educators. Finally, public service announcements and video news releases have been prepared and special educational grants have been made to fire educators to try new avenues to reach and educate the public.

The most important messages are rather simple. Stay focused on your cooking. If you have to leave the kitchen, turn off the range. If you have a fire, get the family out of the house and call 911 or the emergency service number.

I commend the appliance manufacturers on this program urge public service groups and all fire departments across the country to join together to fight careless cooking fires. Together we can reduce the numbers of these fires and the effects of such a disaster on our citizens.

#### INTRODUCTION OF THE COMMODITY EXCHANGE ACT AMENDMENTS OF 1996

HON. THOMAS W. EWING

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Saturday, September 28, 1996*

Mr. EWING. Mr. Speaker, as a point of departure as the 104th Congress passes into the historical record, today I am introducing legislation to reform the Commodity Exchange Act [CEAct], the law governing the regulation of futures and options on our Nation's commodity exchanges and other risk management financial instruments that are traded in over-the-counter markets.

Although this legislation is not massive in size, it is sizable in scope. This area of Federal regulation—the importance of our futures and options markets—demands new treatment. Although the Commodity Futures Trading Commission [CFTC] was just reauthorized through the year 2000 last April, the Congress took more than three years to agree on the Futures Trading Practices Act of 1992 [1992 FTPA]. Needless to say, that law was a contentious debate; this bill may be similarly contentious. For that reason, it should be viewed as a discussion document. We will have several months to think about it and discuss it prior to the introduction of a new bill in the 105th Congress.

The purpose of the bill is to establish the concept of self-regulation with CFTC oversight. The commodity exchanges are self-regulatory organizations; they regulate their members and the trade and financial practices of their members. The National Futures Association [NFA], at this time the sole registered futures association, regulates the professional futures community, setting industry-wide standards of sales and trade practice conduct.

The aim is to keep the U.S. futures industry competitive as it enters the next century. The price discovery and hedging functions of our futures markets still are paramount. The law, however, must recognize that technology is constantly changing and that our commodity exchanges serve a sophisticated, mostly insti-

tutional clientele these days, not small, retail traders.

With that in mind, let me briefly outline the contents of the bill I am introducing.

Section 2(a)(1)(A)(ii), is known commonly as the Treasury amendment and was enacted as a part of the Commodity Futures Trading Commission Act of 1974. Unfortunately, this language has created numerous legal problems the courts have dealt with inconsistently.

Title II of the bill offers a solution to these problems. It is one solution. Obviously, there are others. Attempting to deal with a controversy of this magnitude is not easy. The solution in the legislation will be disputed and argued. I welcome all interested groups, including members of the other body, to help to solve this matter in the next Congress.

Section 3 of the CEAct describes the reasons for federal regulation of futures and option markets and a great deal of this section is simply outdated and does not fit today's regulatory requirements or needs. The bill substantially restates the purposes of federal regulation.

Section 4 is amended to include specifically an exemption for certain professional markets whose participants are recognized under current law. These "appropriate persons" are described in Sec. 4(c)(3) of the CEAct and include futures commission merchants, floor brokers and floor traders. In light of the exemptions afforded other professional traders by the 1992 FTPA, I believe this language is consistent with congressional intent in this area.

Sections 103 and 104 of the bill enhance the self-regulation of exchange institutions by providing simplified and streamlined contract market designation and rule submission procedures. These are necessary in my view to maintain the competitiveness of our commodity exchanges in a world that has come to understand the importance of risk management on exchanges with sound, but limited, regulatory programs.

These amendments presume a commodity exchange develops sound contracts with economic purposes that are widely recognized and will be used by commercial and speculative interests for price discovery and risk-shifting that have long been viewed in this country and by the Congress as beneficial to our Nation's economy.

Section 105 of the bill seeks to improve commodity exchange audit trails without impairing the functions of the markets. Audit trail issues date from the establishment of the CFTC but have been actively debated in the CFTC's regulatory programs since 1986, when the CFTC proposed a one-minute, verifiable standard.

Understanding that each commodity exchange has different trade customs and systems unique to each institution means there are numerous ways to obtain adequate, verifiable audit trails. These trade recordation systems have changed dramatically over the years, and U.S. commodity exchanges constantly are improving and upgrading their audit trail systems. The amendment seeks to develop standards that are objective and reasonable.

Section 106 of the legislation provides benefit-cost analysis to the CFTC's regulatory program. Regulation under Republican administrations and new law under this Republican Congress has moved us further in that direc-

tion. There is no reason we cannot bring similar sound, reasonable, and fair regulation to our commodity exchanges and preserve the public interest.

Finally, section 107 is a house-keeping matter of interest to the Committee on Agriculture. An objective of the Committee during the reform of U.S. Agriculture embodied in the Federal Agriculture Improvement and Reform Act of 1996 [FAIR Act] was to use fewer words. The FAIR Act is literally one-half the volume of the 1990 farm bill. With that in mind—and there may be further improvements later—section 107 repeals Sec. 8e dealing with CFTC oversight and deficiency orders. It is my understanding that after the nearly four years this section has been law it has never been used. That makes it unnecessary in my view.

I look forward to comments on the legislation and working with interested parties as we proceed with this necessary reform in the 105th Congress.

#### THE PRESIDENTIAL DEBATE REFORM INITIATIVE

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Saturday, September 28, 1996*

Mr. McCOLLUM. Mr. Speaker, today I am introducing the Presidential Debate Reform Act. The situation surrounding the current Presidential election has highlighted some of the flaws in our current method for selecting a President and Vice President of the United States of America. One critical flaw involves the way Presidential debates are scheduled.

My legislation would create the framework for deciding the participants and structure of presidential debates. This framework would include a commission of 10 people nominated by various leaders and guaranteed to include 4 politically independent members. These commissioners would then schedule several debates.

One such debate would be optional and include any candidate who is on the ballot in 50 States or polls at 5 percent in popular polls among likely voters. This could include major party candidates, although it would provide a forum for lesser known candidates to express their views.

The commission would also establish debates for the Vice Presidential and Presidential candidates. These would be for the candidates polling over 10 percent in polls, taken after the optional debate, and on the ballot in at least 40 States. Participation in these debates would be mandatory. The penalty for not participating in the debate, other than perhaps embarrassment, would be a reduction in the amount of Federal funds that candidate's party will receive to run the next convention. The reduction would be equal to the fraction of mandatory debates missed. I cannot imagine that a party would want to miss out on \$3 million (approximately the amount that would be lost to pay for the 1996 conventions through missing one debate).

This has nothing to do with whether I think certain people should or should not participate in debates. I do think that we need to have an established framework with defined ground rules to ensure the fairness in the system.

Mr. Speaker, I think this is a good bill and I look forward to hearing feedback from my